



**HOUSING AUTHORITY
of the County of Los Angeles**

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Carlos Jackson
Executive Director

March 11, 2008

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**AUTHORIZE EXECUTIVE DIRECTOR TO REQUEST RENEWAL OF FUNDING
AND EXECUTE TWO HOUSING ASSISTANCE PAYMENTS CONTRACTS WITH
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FOR LANCASTER HOMES AND KINGS ROAD
SENIOR HOUSING DEVELOPMENTS (3, 5)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that requesting renewal of funding and executing two Housing Assistance Payments (HAP) contracts are not subject to the provisions of the California Environmental Quality Act (CEQA), as described herein, because the actions will not have the potential for causing a significant effect on the environment.
2. Authorize the Executive Director of the Housing Authority of the County of Los Angeles (Housing Authority) to request renewal of HAP funding and execute two HAP contracts with the U.S. Department of Housing and Urban Development (HUD) to continue the funding of rent subsidies at the Lancaster Homes and Kings Road senior housing developments located in the Cities of Lancaster and West Hollywood, respectively, following approval as to form by County Counsel.
3. Authorize the Executive Director to execute additional administrative documents as may be necessary for the purposes identified above.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this action is to authorize the Executive Director to request renewal of HAP funding and execute two HAP contracts with HUD to continue funding of the rent subsidies at the Lancaster Homes and Kings Road senior housing developments.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. Funding for the rent subsidies at the two senior housing developments will be provided by HUD. The annual subsidy amounts and terms of the new HAP contracts will be determined by HUD at a later date. Under the current HAP contracts, the rent subsidy funding level for the current fiscal year is \$971,563 for Lancaster Homes, and \$801,142 for Kings Road.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The 120-unit Lancaster Homes and 106-unit Kings Road senior housing developments are federally funded under the Section 8 New Construction Program.

The Housing Authority entered into 30-year HAP contracts with HUD for Lancaster Homes on February 1, 1979 and for Kings Road on October 24, 1980; the HAP contracts will expire on January 21, 2009, and October 23, 2010, respectively. Because the contract renewal process is lengthy, it is advisable to begin the process approximately one year prior to the expiration of the HAP contracts in order to ensure timely renewal and uninterrupted funding by HUD. Requesting renewal of HAP funding and executing the HAP contracts will enable the Housing Authority to continue to provide affordable housing to seniors and disabled individuals.

At its meeting of February 27, 2008, the Housing Commission recommended authorization for the Executive Director to request renewal and to execute the two HAP contracts.

ENVIRONMENTAL DOCUMENTATION:

Requesting renewal of funding and executing two HAP contracts with HUD are exempt from the provisions of the National Environmental Policy Act pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34 (a)(3) because they involve administrative activities that will not have a physical impact or result in any physical changes to the environment. The activities are not subject to the provisions of CEQA pursuant to State CEQA Guidelines 15060(c)(3) and 15378, because they are not defined as a project under CEQA and do not have the potential for causing a significant effect on the environment.

IMPACT ON CURRENT PROJECT:

The actions requested will ensure continued and uninterrupted funding of the rent subsidies at the Lancaster Homes and Kings Road senior housing developments and maintain affordable housing for the benefit of the seniors and disabled individuals.

Respectfully submitted,


 CARLOS JACKSON
Executive Director